GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA UNSTARRED QUESTION No. 551 TO BE ANSWERED ON 22.07.2021

Mega Survey of Self Employed, Small and Micro Companies

551. SHRI S. VENKATESAN:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether in the recent mega survey, involving 81000 self employed, small and micro companies as respondents, it was revealed as per the claim of Consortium of Indian Associations, that Government's three stimulus packages during the last thirteen months have not reached eighty eight percent of the self employed, small and micro companies;
- (b) if so, whether the Government has done any study on the efficacy of the said three stimulus packages; and
- (c) if so, the findings thereof?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI NARAYAN RANE)

- (a) to (c): No such study on stimulus package has been conducted by this Ministry. However, studies have been conducted by National Small Industries Corporation (NSIC) and Khadi and Village Industries Commission (KVIC) to assess the impact of COVID-19 Pandemic on MSMEs including units set up under Prime Minister's Employment Generation Programme (PMEGP).
 - A. The main findings of the online study conducted by NSIC to understand the operational capabilities and difficulties faced by the beneficiaries of NSIC schemes amid Covid-19 pandemic are as follows:
 - i. 91% MSMEs were found to be functional.
 - ii. Five most critical problems faced by MSMEs were identified as Liquidity (55% units), Fresh Orders (17% units), Labour (9% units), Logistics (12% units) and availability of Raw Material (8% units.)
 - B. The findings of the study conducted by KVIC are as under:
 - i. 88% of the beneficiaries of PMEGP scheme reported that they were negatively affected due to Covid-19 while the remaining 12% stated that they were benefitted during Covid-19 Pandemic.

- ii. Among the 88% who were affected, 57% stated that their units were shut down for some time during this period, while 30% reported drop in production and revenue.
- iii. Among the 12% who had benefitted, 65% stated that their business increased as they had units in retail and health sector and around 25% stated that their units benefitted as they were dealing with essential commodities or services.
- iv. On the question of regular payment of salaries to the employees, around 46.60% respondents stated that they had paid the salaries in full, 42.54% reported to have partially paid and 10.86% reported to have not paid salary for some time during this period.
- v. Majority of the beneficiaries expressed the need for additional financial support, relaxation of waiver of interest and marketing support for their products.
